Preserved

G. R. S. IX-5]

Previous references.

P 24E 1918.19 (S.F.)

Later references.

File No. 64-18

Serial Nos. (6)

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 167

Part B for October 1918

SUBJECT.

Remittance of money received in London by messrs Coutts and co for the sale proceeds of Sandalwood oil —

To

Sl. 9

The Director of Sandalwood
oil Factory,
Bangalore
No. M 1022, dated 10-10-18

"

States that Govt do not consider it necessary for the present to enter into any general agreement with the firm on the lines suggested

W D 88—GPB—50,000—24-7-16

Mr. Pandhersa-Shs return
9-12-18.

G. R. S. III—1] 191[illegible]

GENERAL AND REVENUE SECRETARIAT.

(Gr 7)

NOTES.

File No. 64-18

FILE HEADING.

Remittance of money rec[d] in London by Messrs Coutts and Co. for the Sale proceeds of Sandalwood oil

From

A. Chatterton Esq I.C.S. & I.E.

D.O No. 345 Dated 30-7-18 Received 31-8-18

Diary No. 271	Enclos. 1 Spare Copies.	Serial No. 1

BRIEF ABSTRACT OF LETTER.

Encloses for the orders of Govt. letter dt: 25-7-18 from Messrs Thos: Cook and Son, Bombay offering to transfer money rec[d] in London for the Sale proceeds of Sandalwood oil at the rate £1.6.3/8[d]

NOTES AND ORDERS.

Financial Secy's order

"Strictly confidential and very urgent A/S. Fin[ce]. Please put up with papers relating to the appointment of Coutts as our bankers" (Sd) J.S.C. 31/7 (Sd) B.S. 31/7

NOTES—First Sheet.

WD 1232—GPB—20,000—18-11-16

G. R. S. III-2j

General and Revenue Secretariat.

C7 File No. 64 of 1918.

Serial No.

1 The papers re the appointment of Messrs Coutts and Co as Durbar bankers are req'd. (Vide flag D)

DM
2/8/18

2 The papers are in complete. There is a subsequent communication from Coutts in regard to an arrangement of placing 1000£ at their disposal in London which has not yet been put up.

All the papers were in the file in wrong order as Coutts

18
2/8

3 A ref^ce is made about the minimum in Messrs Coutts & Co's communication dt 24/7/17 to the Comptroller. No other ref^ces are readily available

M in the linked file 3718-17

DM
2/8/18 (Vide)

18
2-8-18

5 Some D.O. to Mr Rose sent herewith & put up on receipt of reply.

DM
5.8.18

18
Fld

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat. | File No. of 191 ·

Serial No.	
2	From the Manager, Mysore Bank. Do. dy 3. 8. 18. States that it may be possible to offer some assistance to Govt during the month in the matter of transfer of funds from London.
3.	To The Manager No 42 dy 5. 8. 18. States that Govt will appreciate any help that may be given.
4	To Do. asking for rates of exchange on banks at which Govt is not prepared.
5	From the Manager. Do dy 7. 8. 18. Furnishes Exchange Banks' buying rates for bills on London. and states that the buying rate is generally the same as selling rate and that exchange rate business is nowadays greatly a matter for negotiation with the Banks.

NOTE—Contn. sheet.

WD A 1789—GPB—60,000—20-3-13—S.

G. R. S. III-2]

4

General and Revenue Secretariat. | Cer 7 File No. 34 of 191 8.

Serial No.

6. From the Manager Do 3 10. 8. 18.
Requests a demand draft for £7100 to
be sent him in duplicate for negotiation

6
H. Lyr orders a "A/c. Copy to comptroller at once for necessary action if the exchange rates offered are favourable"

7 Sent with draft

8 Issued
10/8/18.

10/8.

NOTE—Contn. sheet.

P.J.O

WD A 1789—GPB—60,000—20-3-18—S.

Serial No.

London Secretariat

9

1) Talas

2) Mysore Hawke

(3) Mom Cook & Son

(4) Govt of India attd D Cmn

(5) Mines

(1) attempts to fix up with Talas for transfer of mining concerns as quickly as possible.

(2) allow Sandal Oil Rev to be handed over to Cook & Son

(3) As soon as transfer

10 References files on regarding up items 2 & 5 above are put up. (Hons. Es. D.W. & S. respectively)

Salad 11 Para 10 (c) - Mr Dhanjan has TSR 10/8. kindly wired to the Talas - their

NOTE—Contn. sheet.

Serial No.

reply is expected to be received in a day or two. I reminded him today.

(2) I showed Messrs Cook's letter to Cunliffe also. He seems to think that their conditions do not appear to be quite acceptable, and that it would be better to get remitted to India whatever funds we have in London now at the current rate of exchange, and not to commit ourselves to open an account with and transact business thro them for the future.

A (3) All things considered we had better wait till Talas' reply is received.

(4) Submitted for perusal and further instructions.

HS
12.8.18

Perused)

12

A. Please put up on receipt of Talas' reply

M
12/8

13

The Talas cannot arrange for remittance of any London funds at present. Vide reply placed in margin.

P. W. D. II

14 May a draft letter to Mr. Chatterjee be prepared requesting him to arrange for the preliminaries, & a draft agreement from the Cooks, in regard

NOTE—Contn. sheet.

271
367

7

General and Revenue Secretariat. | G 7 File No. 61e of 1918.

Serial No.	
	to the auditing of the Standard Revenue in the Company's Head Office in London and remittance of the same to the Bombay Mint on the terms proposed by the Company.
Y.P.U.D.I	Secy) 18 16/8/18
	I/Sys. please put up a draft reply to this queries & stating the restrictions as per instructions. 15/8
	16 Draft sent Secy) 18 16/8/18
435 16/8	17 Reply draft and submit to 1st Cr. This is an urgent matter which may be approved by Circulation. 23/8
Subd with clean draft The papers kept sub. 23/8. are linked as per orders	23/8 18 23/8.
	Secy. 18 The 1st & 2nd Secys' further note on the subject dy 23.8.18, is placed in the linked file. Kind perusal of it is invited. (1st member) 18 24/8/18
920 27.8.	Agd - May be submitted to Govr for information & observations 27/8
1211 27.8.18	Secy) 18 This may be approved by Circulation. 27.8.18
	29.8.18 To Chief Secy with compliments. 30/8

21 NOTE—Contn. sheet.

WD A 1769—GPB—60,000—20-3-18—S.

(For Disposal by Circulation)

No. C.934

30/8/1918

GENERAL AND REVENUE SECRETARIAT.

COUNCIL MATTER.

SUBJECT.

Arrangements for the remittance of money received in London by Messrs. Coutts & Co., on account of the sale proceeds of sandal-wood Oil.

CIRCULATED TO THE MEMBERS OF COUNCIL.

By Order,

30th August 1918

Chief *Secretary to Government.*

Extraordinary Member of Council.

First Member of Council. Approved.

Second Member of Council. Thoroughly concur in this amt.

Extra Member of Council.

399-269
30-8-18.

WD 2670—GPK—1,000—11-5-17

31.8.18

(C.934)

WD-A2089—GPB—100—1-5-18.

G. R. S.* III-2]

8

General and Revenue Secretariat.

File No. 64 of 1918.

7. When the Dewan or Member of Council initiating orders in a case asks a question, a reply should be obtained and submitted before the papers are passed on for further circulation. If a question is asked by another Member of Council, the same procedure should be followed provided that if the question cannot be answered within the Secretariat, the Secretary should resubmit the case to the Dewan or Member initiating as the case may be before a reference is made outside the Secretariat.

Forwarded with compliments to the Secretary to Government Financial Department for favour of necessary action under Rule 7 of the Subsidiary Rules of Council Business and early return to the undersigned for further circulation.

By Order,

C S Aleswara Iyengar

Chief Secretary to Government.

3. 9. 18

Second Member's minute on facing sheet

The gain is

(a) We get our money remitted from London to India which we cannot get done otherwise owing to the exchange situation created by the war. We cannot get either Council bills or Secl. Bank bills.

(b) It is better to have our London funds with two Bankers instead of one.

The matter being urgent the favour of early return of the file with orders requested

4. 9. 18.

105
5. 9. 18

2nd Member)

I think the agreement should be for a limited period say 6 months or whatever Government like better to change every year.

No 4th Case. The Chief

General and Revenue Secretariat.

Gr 2 File No. 6Le of 1918.

Serial No.

27

I do not think it fair to definitely fix the Cooks are not likely to agree to it.
agreement for 6 months - General power to
terminate the arrangement at any time will
be sufficient.

28 About no extra commission being payable it
is made clear in the draft.

29 The draft as now prepared may be
approved as far as the Trial aspect is
concerned. There is however a political aspect
as explained in my note of 23.8.18.X
This may also be considered by Govt.

30 As we cannot keep on funds locked up
in London for any length of
time & as the method of transfer is
immaterial from the point of view of war
finance. I do not think there is any harm
in our entering into an arrangement with
Cook on the lines suggested.

31 In this view, a D.T.N & D.S.N I have drafted if they may be put up
proposal Encl.

6.9.18

11/8
10/9

A/S Fin

32 D.T.N & D.S.N please.

Secretary 18
6/9

33 6/9

18th December) D.T.N Cabinet 18
19

Fair final Note
by the 1st Member is put up

10/9/18

NOTE—Contn. sheet.

WD A 1789—GPB—60,000—20-3-18—S.

Serial No.

35

Dewing with D.S. N

18/10/9

Now that much of our London balances have been otherwise utilized and the situation has improved, the First Member may perhaps see fit to consult the Financial Department as to whether any modification is necessary in these proposals.

19.9.18 RC

37 Under the present circumstances the agreement in question is not necessary. The Govt of India have indicated their intention of helping us if possible about the mining & attendant revenues — also as regards a loan for famine relief &c if necessary. A brief reply as modified in pencil (Flag A) will come to us Chamberlain if 1st Member & Dewan approve — M 24/9

1st member Dewan 38

18/25/9.

The brief reply as revised seems suitable for the present

26/9/18

18. 26/9

39 D. S/C. [illegible]

3.10.18 RC

1863 - 26.9.18

1402 26.9

3

Mr Jin We done above please. M 7/10

18/10/18

NOTE—Contn. sheet.

WD A/1789—GPB—60,000—20-3-18—S.

G. R. S. 12]

General and Revenue Secretariat.

S. F File No. 64 of 1918.

Serial No. 7.

To

The Director of Sandalwood Oil Factory:

H. no. 2024 & 10. 10. 18

State that the Govt: do not consider it expedient for the present to enter into any general agreement with the firm on the terms suggested.

NOTE—Contn. sheet.

GPB—20,000—30-6-15

B. S. O. E. 4.

GOVERNMENT OF MYSORE

Tel. Address:
" Sandal, Bangalore."

D.O. 34 S
E 1

OFFICE OF THE DIRECTOR OF
SANDALWOOD OIL FACTORIES, SANKEY'S LODGE,

Bangalore 30th July 1918

Gr 64-18-1.

Dear Mr Chakravarti

I enclose a letter from Messrs. Thos. Cook & Son, Bombay regarding the remittance of money received by Messrs. Coutts for the sale proceeds of Sandalwood Oil. Cooks are apparently willing to transfer a certain amount at a rate which, for the present, they quote at 1s 6 3/8d. As far as I can make out, they will charge us 1½ per cent. for doing so. The matter is one really outside my province and these enquiries have only been made with a view to assisting Government if it is possible to do so. I have written to Cooks and said that I have placed the matter before the Financial Adviser and I should be glad to know whether Government would like me to proceed any further in the matter. With your reply, I shall be glad if you will kindly return Cooks' letter.

Yours sincerely,

S Ryder Chatterton

Rajamantrapravina
Diwan Bahadur J.S. Chakravarti,
B.A., F.I.A.S.,

Thos. Cook & Son.

TELEGRAPHIC ADDRESS:-
"COUPON BOMBAY."

P.O. BOX 46.

Bombay, 25th July, 1918

Confidential

GB 21

The Superintendant,
Sandalwood Oil Factory,
Bangalore.

Dear Sir,

We beg to acknowledge receipt of your confidential letter dated 20th July, regarding transfer of your funds from London.

As already advised we wrote to our Head office, and our letter should reach London before very long. We requested our Head office to cable their reply, and as this is a matter upon which our Head office would require very full information before coming to a decision, we do not think it advisable to cable them now. We think it would be better to await receipt by them of our letter, on receipt of which they will cable us. If however the matter is very urgent, we are of course prepared to cable them for instructions.

Since corresponding with you on this subject we have had the pleasure of a visit from Mr. Chatterton, and we understood from him that your requirements, instead of being about £15,000 a month, are more likely to be £25,000 a month.

A We should like to know, if we arrange this business for you, whether you would be willing to open an account with Head Office into which these funds would be paid pending transfer, also funds required to meet the insurance premiums, and also whether you would open an account with us here, to which transfers would be credited and upon which you would draw as required.

It must be clearly understood so long as present exchange difficulties last that transfers would be effected to suit our convenience, but the understanding would be that we would endeavour to transfer for you monthly whatever amount may be sanctioned by our Head office.

B At the present time, for such transfers we should apply the current buying rate of exchange applicable to transactions for which cover is not provided. The current rate for such transactions is 1/6 3/8.

C We should also like to receive some assurance that if we are able, and do transact this business for you, you will not transfer it from us when the present exchange difficulties no longer exist.

In normal times we are always prepared to quote for the purchase of sterling in competition with any bank, and of course in normal times we should be prepared to transfer practically any sum you might require.

If you will kindly let us have your reply to the points raised in this letter, we shall be much obliged, and if you still wish us to cable our Head office, we will do so, but we should have to cable very fully, and should like to be able to give our Head office information on the points we raise in this letter.

Yours faithfully,

PER P [illegible] CO.

Mallan

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to.....

Section

File No.

Serial No.

GENERAL AND REVENUE SECRETARIAT,

( )

, *the* 191 .

No. H 873

Date of issue 16-8-18

Signed by [illegible]

To

The Comptroller

Sir

I am directed to forward herewith for necessary action a copy of Do dy 10.8.18 from the Manager, Mysore Bank regarding the demand draft for £1000 offering buy/sale a demand draft on London for £1000. The rate is applicable only to the Manager's account. I have &c

for H Secy to G

(of the Exchange rate is favourable)

over.

XX A 1253/18

THE TATA IRON & STEEL Co. LTD.
NAVSARI BUILDINGS, FORT,
BOMBAY.

12th August, 1918.

Dear Mr. D'Souza,

Since I wrote to you my letter No.G.1605 of the 10th instant in reply to yours of the 6th idem, I received your telegram as follows :-

"Will be obliged for early reply to my letter of sixth regarding terms of your Company using Mysore Government balances with London Bankers"

I have now consulted my colleagues and am informed that the Iron Company has no remittances to make just at present to London or New York. However when the next occasion arises, they shall try to take advantage of your offer. As regards terms, I shall settle the same personally with you when you are next in Bombay.

I am,
Yours sincerely,

J D Tata

P.G.D'Souza Esq. B.A., B.L.,
Education Secretariat,
Public Offices,
BANGALORE.

KBM/V.

ALL COMMUNICATIONS TO BE ADDRESSED
TO THE MANAGER.
TELEGRAPHIC ADDRESS: "MYSOREBANK."
CODE: A. B. C. 5TH EDITION.
POST BOX No. 37.

No. D. O.

The Bank of Mysore, Ltd.,

Bangalore, 3rd August 1918.

G7-64-18-2

Dear Mr. Chakravarti,

With reference to our conversation re: Government funds in London I hope it will be possible to offer you some assistance during this month. With the continued absence of rain in the Punjab, the Government of India's wheat purchases will probably cease, and thus ease the position of the Exchange Banks.

Yours sincerely,

Manager.

To

Dewan Bahadur

J. S. Chakravarti Esq, M.A.,F.R.A.S.,

Financial Secretary,

Government of Mysore,

Bangalore.

D.O. No. 42 Gr 7. 64-18-3

Financial Secretariat,

Bangalore, 5th August 1918.

Dear Mr. Rose,

Many thanks for your kind letter of the 3rd instant which I have just received on return from --- Mysore. I have no doubt that His Highness' Government will very much appreciate any help which you may give regarding the transfer of funds by reasonable rates of Exchange.

Yours sincerely,

W. C. Rose, Esq.,
Manager, Bank of Mysore, Ltd.,
BANGALORE.

D.O. No. H 808 CONFIDENTIAL.

Gr. 64-18-4.

Financial Secretariat,

Bangalore, 5th August 1918.

16

Dear Mr. Rose,

Would you kindly let me know the current rate of transfers from London to India applicable to transactions for which cover is not provided ? What is the best published source from which such information is available from day to day.

Yours sincerely,

W. C. Rose, Esq.,
Manager, Bank of Mysore, Ltd.,
Bangalore.

G.O. 6-12-18-5 D 369 9

ALL COMMUNICATIONS TO BE ADDRESSED
TO THE MANAGER.
TELEGRAPHIC ADDRESS: "MYSOREBANK."
CODE: A. B. C. 5TH EDITION.
POST BOX No. 37.

No. 470

The Bank of Mysore, Ltd.,

Bangalore, 7th August 1918.

Dear Mr. Chakravarti,

In reply to your D. O. dated 5th instant No Fl. 808, I -- append at foot the Exchange Banks' buying rates for Bills on - London against cover. I do not think Banks would be justified in even quoting a 1/32 above the fixed rates if they -- choose to buy remittances without cover. To do so would -- naturally effect the negotiation of Bills of National importance. You will generally find the Banks buying rates for 3 and 6 months bills quoted in the Bombay and Calcutta papers, and for your perusal, I enclose Messrs. Huson & Robinson and -- Scott & Tod Weekly Price Current Report of the 1st August. -- The T. T. buying rate is generally the same as Banks selling - rate for demand bills; but nowadays Exchange business is greatly a matter for negotiation with the Banks.

Yours sincerely,

Manager.

Banks Buying Rate for Demand Bills on London	@ 1/6-7/32
2 Months (credit)	@ 1/6-3/8
3 ,,	@ 1/6-7/16
4 ,,	@ 1/6-17/32
6 ,,	@ 1/6-3/4

To

Dewan Bahadur
J. S. Chakravarti Esq, M.A.,F.R.A.S.,
Financial Secretary, Government of Mysore,
Bangalore.

GI .64-18-6.

ALL COMMUNICATIONS TO BE ADDRESSED TO THE MANAGER.
POST BOX No. 37.

The Bank of Mysore, Ltd.,

No. 12 Bangalore, 10th August 1918

Immediate

Dear Mr. Chakravarti,

With reference to my letter of the 7th instant I can now negotiate your demand draft on London for £ 7000/- so -- please send me a draft, in duplicate, on Coutts & Co by Monday noon. I enclose a form should you not have one.

I hope to be able to make you -- further offers during the month.

Yours sincerely,

Manager.

To
Dewan Bahadur
J. S. Chakravarti Esq, M.A., F.R.A.S
Financial Secretary,
Government of Mysore,
Bangalore.

No copy of Corpn above for necessary action if the secretary approves.

10.8.18

10/8/18

No H 2024
8-10-18

G7 62-18-7

Dear Mr. Chatterton,

With reference to your D.C.No.345/ E.I. dated 30th July 1918 regarding the proposal of getting our Sandal revenue remitted from London through Messrs. Thomas Cook and Sons, I write to state that Government will be glad if you can kindly fix up with Cook for remittance of funds on the terms proposed by them -- subject to the following modifications and remarks :-

do not consider it expedient at the present to enter into any general agreement with any firm as suggested. The Chamberlain

3.10.18

for J

9/10
22/10

(a) Government would be willing to open an account with the head office, of Cooks in London, into which -- Messrs. Whiffen and Sons ~~will~~ would pay the sandal revenue according to -- our instructions and also an -- account with the Company at Bombay to which the transfers ~~will~~ would be -- credited .

(b) Both these accounts will be current accounts the amounts therein being -- payable at call. The accounts will be in the name of the Dewan of Mysore and ~~will be~~ operated upon by the -- Comptroller by cheques or -- requisitions under rules to be framed hereafter.

(c) As the Company give no guarantee in the matter of remittances being made monthly, it must be understood that -- if they are not able to arrange -- remittances regularly, Government will be free to make other arrangements for remittance